



ENRD workshop

The Farm-to-Fork Strategy and cooperation in the agri-food supply chain

Highlights report

The workshop, organised by the ENRD Contact Point in close partnership with the European Commission's Directorate General for Agriculture and Rural Development (DG AGRI), marked the launch of the 'Forum on Best Practices in the Agri-Food Supply Chain' as one of the actions envisaged by the European Commission under the Farm to Fork Strategy. The Forum aims at enhancing the cooperation between primary producers and other actors, improving the position of farmers within the food supply chain and increasing the market transparency.

The event – as first session of the Forum – discussed the transition to a sustainable food system and key challenges from the perspective of farmers, producer organisations (POs), retailers as well as Member States and the European Commission. It presented and discussed concrete experiences and relevant funding mechanisms available under the current Common Agricultural Policy (CAP) and future CAP Strategic Plans (CSPs) to support sustainable agri-food supply chains. Participants exchanged views and actively engaged in parallel group discussions focusing respectively on: policy support for POs, the impacts of POs in rural areas, and the competitive factors of POs to improve the position of farmers within the agri-food supply chain.

Event Information

Date: 2 December 2021

Location: Online event

Organisers: ENRD Contact Point

Participants: Managing Authorities of the future CAP Strategic Plans, Paying Agencies, representatives of retailers and wholesalers, farmers, producers and interbranch organisations, food processors and European Commission's officials.

Outcomes: Launch of the 'Forum on Best Practices in the Agri-Food Supply Chain'; and exchange of views, ideas and concrete experiences about collaborative approaches within and between POs and with other actors along the food supply chain, contributing to increase the economic, social and environmental sustainability.

Web page: https://enrd.ec.europa.eu/news-events/events/farm-fork-strategy-and-cooperation-agri-food-supply-chain_en

Launch of the 'Forum on Best Practices in the Agri-Food Supply Chain'

Opening messages and introduction to the day

Maciej Golubiewski, Head of Cabinet of Commissioner Wojciechowski, and Michael Scannell, Deputy Director General of DG AGRI, opened the workshop. Mr Golubiewski highlighted the ambitions of the Farm to Fork Strategy, stressing the crucial role that POs are expected to play in facilitating the transition to more resilient and sustainable food systems, while also securing a fair income for the farmers. The Commission had taken several important steps to provide further support to POs, including the reform of the Common Organisation of Agricultural Markets (CMO) Regulation and the EU Directive on unfair trading practices. The adopted changes to the CMO Regulation will allow producers to derogate from competition law to further promote cooperation and sustainability along the supply chain. The amendments to the CMO also extend the private supply management possibilities for Protected Designations of Origin (PDO) and Protected Geographical Indications (PGI) in all agricultural sectors, and expands the value sharing clauses possibility to the more downstream stages of the chain. These amendments will allow producers to improve their bargaining powers and improve their sustainability goals as enshrined in the European Green Deal.

Michael Scannell emphasised the need for enhancing the cooperation along the food supply chain to face the existential challenges that the agri-food sector will be confronted with in the coming years to transition to a more sustainable food system and turn them into opportunities for further growth. The new CAP will provide a set of instruments to enable POs to expand their role and their competence to promote cooperation also in other sectors – building on the successful experience of operational programmes for POs in the fruit and vegetables sector – and help farmers to derive the benefits that can be provided through POs. Finally, Mr Scannell welcomed the level of interest in the event shown by retailers and manufacturers, acknowledging the need of having closing links with POs and farmers.

Setting the scene: The Farm to Fork Strategy and the agri-food supply chain

Panel discussion

Oliver Sitar from the European Commission's DG AGRI stressed some of the key actions carried out by DG AGRI, within the framework of the Farm to Fork Strategy, to create an enabling regulatory environment to further support POs and allow them to attract more producers. This includes: the revision of marketing standards for agricultural products in line with modern models of production; the recently adopted [Contingency plan](#) for ensuring food supply and food security in the EU in times of crisis; and, for the first time, under the CSPs, of sectoral interventions for POs in all sectors (in addition to the existing schemes for fruits and vegetables, and wine). POs help producers to achieve more together, reach higher levels of quality, and deal with new challenges which are difficult to face alone. By sharing costs through POs, producers can also take greater advantages of technological progress and precision farming. In addition, POs also generate value for the downstream actors, contributing to the sustainability of the whole chain.

Hélène-Diane Dage, from the European Commission's DG GROW highlighted the adoption in July 2021 of the [Code of Conduct on Responsible Food Business and Marketing Practices](#) as one of the first action envisaged in the Farm to Fork Strategy. This Code was developed on the initiative of the food industries – thus far ~100 companies have signed it – and the process was facilitated by DG GROW. Moving from the transformation stage, the Code sets several objectives, including: the promotion of a healthy and sustainable diet, to help consumers to make the right choices; the reduction of food waste; the decrease in energy and water consumption in the food industry contributing to achieve climate neutrality by 2050; the promotion of circular approaches particularly for food packaging (e.g. shifting to reusable food and drink containers); the promotion of sustainability and growth, and the creation of value through collaborative approaches along the food supply chain. One of the priorities for the coming years will be to encourage and help SMEs to implement the Code.

Philippe Chauve, from the European Commission's DG COMP underlined the new opportunities made available by the derogation to competition rules introduced by the new CAP, allowing producers to conclude sustainability agreements with other producers as well as with other parties in the supply chain for the purpose of achieving higher sustainability standards - going beyond the existing standards and obligations foreseen by national and EU laws. For instance, producers could agree on minimum prices or set some specific restrictions provided that such agreements are indispensable to cover the costs incurred to achieve higher sustainability standards. Such initiatives must not prevent any other competing product to be on the market and cannot lead to a weakening of the CAP objectives. As of January 2022, DG COMP will work in close partnership with DG AGRI and stakeholders to develop guidelines to help producers profit from these new opportunities allowed under the new CAP.

POs in the agri-food supply chain: practical examples

Panel discussion

Philippe Brel, Director General of Estandon (France) shared the experience of the Estandon cooperative of cooperatives, and the achievements of the sustainability project 'sol vivant' supporting 300 wine growers transitioning to agroecological practices that allow for a better management of natural resources, increased soil quality, and biodiversity conservation. The cooperative provides knowledge and training to help farmers develop the skills, networks to share best practices, and it ensures market security and a fair income for all producers. The cooperative is an ideal organisation to carry out sustainability projects as its members do not feel in competition with one another: within the cooperative they are all allies and everybody can grow.

Antoni Bandrés, Agri-Farming Director of Danone Iberia presented the 'holistic approach' of Danone to face the necessary transformation of the food industry. Promoting collaboration through the chain – sharing knowledge and expertise – is essential to tackle common challenges, and support sustainability and market differentiation. Since 2017 Danone has been working with producers to support regenerative agriculture, reducing CO₂ emissions. Through its farmer succession programme, Danone also provides tailored coaching, training and technical advice to support generational renewal, as a key to ensuring the continuity of sustainable farming practices, investing in young farmers, and offering security and stability for family farms.

Geert Hanssens, Manager of Partnerships in Agriculture, Colruyt (Belgium) highlighted the following success factors resulting from the collaboration experiences of Colruyt with producers and farmers: ensuring transparent costs; respecting farmers' decisions; having a long-term vision; investing in communication to raise public awareness; and acting as a team, not divided. In addition, to facilitate the transition to a more sustainable food system, it is important that consumers are encouraged to make informed choices. That means that, for example, retailers may need to propose the choices themselves through higher standards. Consumers need to appreciate how their food is produced and the farmers' efforts behind that.

Main outcomes of the workshop's group discussions



Group 1: Policy support for POs

Introduced by Luc Berlottier and [Gaëlle Marion](#) from DG AGRI

- Discussions moved from the successful experience of cooperation pioneered in the fruit and vegetable sector, through to the support scheme for POs. The session also provided an overview of the different funding tools available under the current and future CAP to support POs, and more generally about the different forms of associations of farmers.
- The valuable lessons learned in the fruit and vegetable sector can to a certain extent be applied to other sectors, however it is important to acknowledge the specificities of each sector. For instance, the livestock sector is structured in a very different way than fruit and vegetable and therefore might require a different set of support tools. The new CAP allows the Member States to flexibly define the appropriate combination of funding tools to better address the different needs of each sector.
- For the first time Member States were requested - under the CAP Strategic Plans - to carry out an assessment of the needs for each relevant sector and design support strategies for territorial agri-food supply chains based on those needs, combining the different types of interventions (sectoral as well as coupled support and rural development interventions) available under the CSPs.
- It is fundamental to maximise the complementarities between all the available funds, going beyond the CAP and also including other EU funds and national resources, to identify the best set of tools that should be used to address specific sectoral needs.
- The costs of investing together as a PO are less than the costs of investing alone. POs and collectives of farmers can help enhance the position of small farmers on the market, increasing their profits, while also allowing farmers to collectively deliver greater environmental and climate benefits.
- Having minimum targets set at national/regional level in terms of sustainability goals (e.g. targets for the dairy sector in Flanders) can actually provide a real impetus for action.



Group 2: The impacts of POs in rural areas

Introduced by [Elena Garcia Garrido](#), ENRD Contact Point and [Demetris Psaltopoulos](#), Aristotle University of Thessaloniki

- Discussions highlighted the very strong inter-relationships between the economic, environmental, and social dimensions in the sustainable development of rural areas. Evidence shows that the aggregation of producers is a critical enabling factor for the three pillars of sustainability and POs play a key role in improving the economic development in rural communities.
- An example of horizontal and vertical forms of cooperation in POs was presented showing how POs can cooperate in order to face common challenges and the need for greater resilience. The example also illustrated the cooperation between POs and other entities and between EU funds and the role of PDOs, LEADER LAGs as well as research and development entities under the umbrella of an EIP-AGRI Operational Group.
- All actors along the chain - from farmers to consumers - should be involved in the transition to a more sustainable food system, through horizontal and vertical forms of cooperation.
- The role of consumers is crucial to orient the offer and trigger changes in the food chain. Supporting greater consumer awareness about the source of production and the impact of their buying decisions on them, is therefore essential to encourage the transition to new and more sustainable models of production (e.g. organic, local and quality production).
- Research & Innovation is also key to enable the transition: innovative technologies – often introduced by young farmers – and precision agriculture can allow the adoption of more sustainable models of productions, reducing water consumption and the use of pesticides and fertilisers, as well as preserving and improving genetic resources.
- The transition to a more sustainable food system should also be regarded as an opportunity to promote gender equality, female entrepreneurship and greater visibility for women along the food supply chain.



Group 3: Competitive factors in producer organisations

Introduced by [Daniel Traon](#), Arcadia and [Agnieszka Maliszewska](#), 1st Vice President, COPA-COGECA

Discussions focused on the need for POs to:

- Modernise the way they are structured, with better streamlining of decision making.
- Ensure that economic performance goes hand in hand with POs demonstrating leadership on improvements in environmental performance and wider sustainability.
- Develop and use sustainability standards and product certification schemes which, alongside improved communications and marketing, will enable POs to demonstrate their green credentials to businesses and consumers alike.
- Understand the importance of common baselines and clear standards for agriculture coupled with clear and accessible data to inform decision making.
- Consider the importance of collective actions and their continued growth to enable sustained investment in value added activities to improve sectoral resilience.
- Pursue growth strategies, whether via mergers, vertical integration or marketing (using their sustainability credentials).